

The

CREDIT UNION BRIDGE

THE WAY TO ECONOMIC BETTERMENT



UW NEWS SERVICE PHOTO

Sterling Hall, on the University of Wisconsin campus, will be a familiar sight to students attending the School for Credit Union Personnel this summer. The School of Commerce which co-sponsors the Credit Union School with CUNA is located in Sterling Hall. See pages 7-9.

Official Publication

March, 1954

Credit Union National Association



The Way I See It

Dues Question Again

FROM: CALIFORNIA CREDIT UNION DIGEST

In the August issue of the "Digest" there appeared a letter from Roy F. Bergengren, the Grand Old Man of United States credit unions, concerning the idea of annual dues to be paid by members of credit unions for membership in the credit union. It was titled "Let's Solve the Dues Problem." In September Mr. C. Frank Pratt, past president of the League and now treasurer of CUNA, wrote several paragraphs supporting the idea in the "Editorial" column of the "Digest." (See August and November issues of Bridge.)

Briefly Mr. Bergengren's proposal is simply that state and federal credit union laws be amended to provide that the Board of Directors of a credit union could vote to charge an annual membership fee of not to exceed one dollar to be used for promotional, advertising, and educational purposes, and to be deducted from the share accounts of members. He points out that this procedure has been in effect in several Canadian provinces for a number of years and has proven highly successful, those provinces having no league budgetary difficulties. Such laws have recently been enacted in two of our states, and apparently are being discussed in some others.

The idea is revolutionary, and I am sure the first reaction of most

credit union people will be negative. However, on careful study and analysis it seems to have much of merit in it. The prestige of Mr. Bergengren almost makes such careful consideration unnecessary. He has probably done more for, and given more to the credit union movement than any person alive today.

A very large percentage of our league budget and almost all of the CUNA budget is expended in extending the credit union movement and bringing credit unions to new groups of people. The members of our present credit unions have the benefit of credit union service because someone previously contributed money to get these credit unions organized. It is the members, not the credit unions, who benefit from their experience. It therefore seems right and just that the members should pay for their privilege of membership by helping to bring unions to others, rather than for this to be a charge on the credit unions themselves.

The suggested amount, one dollar or less, is trifling. Probably every credit union member belongs to several other organizations, all of which charge dues many times this amount. If the member uses the credit union at all it will certainly be worth more than a dollar a year to him.

There have only been two or three years in my fifteen years with the league in which the budget has not been a matter of controversy, oftentimes quite bitter, and I do not believe there has been a single year in which a substantial number of credit unions have not felt that league dues took too large a percentage of their income, although they may have continued league membership. Yet league management and league leaders have always said the league was underfinanced and was not able to give all the services it should because of lack of money. The same statements are true of CUNA. The Canadian leagues have not had budgetary troubles and have found themselves adequately financed under the membership dues plan as outlined by Mr. Bergengren. Budgetary trou-

bles are disrupting many state leagues, including our own, and now seriously threaten the National Association. If the plan has made for harmony in Canada it should do the same in this country.

An incidental advantage of the plan would be that in the course of a few years our "lost" accounts would be eliminated by the assessment of dues. Probably every credit union has members with "five dollar" accounts who can no longer be located. These accounts are a book-keeping expense to the credit union and eventually become the property of the state.

Many credit unions do not feel able to pay the expenses of their officers in attending conventions, conferences, and chapter meetings. The membership dues plan would make adequate funds available for such attendance without affecting the dividend possibilities of the credit union. The value of such attendance to the credit union is universally recognized.

Another feature of the plan is that it is optional. The proposed legislation would be permissive in nature. A board of directors could levy annual dues on the members

(Continued on page 25)

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The Credit Union Bridge



"... and if you don't okay my loan I may be tempted by one of the isms."

North Dakota Credit Union League Introduces \$1 Membership Dues

Response from Credit Union Members Surprisingly Favorable

WHAT DO CREDIT UNION MEMBERS think of paying individual league dues?

The question came up in North Dakota because the league budget was considered inadequate to further the credit union movement in the state. The previous schedule of 50 cents per member plus 5 percent of net income was paid from credit union interest earnings, and these earnings were limited. However, with the income from \$1 dues the league directors felt that they would be able to finance projects they considered worthwhile and valuable.

John Hillerson, managing director of North Dakota Credit Union League, scheduled separate meetings for Donald Hofland, assistant managing director, Henry L. Timme of the CUNA field staff, and himself.

Let us get the story from the men on the job.

"When the membership is aware of the services of the leagues and CUNA, and the members know that they are a part of an organized movement, a yearly membership dues of \$1 seems only fair to most of them," John Hillerson says. "When told the story of the credit union movement, they voted for \$1 dues and seemed proud to contribute their share."

"Actually, most of the opposition we encountered came from boards of directors who believed that their members wouldn't even consider a dues scheduled as proposed by the North Dakota Credit Union League."

Law Amended

The Cooperative Law of North Dakota was amended on March 4, 1953.

The amendment paved the way for membership dues, although this wasn't specifically mentioned in the law. It is still up to the credit unions of North Dakota to decide for themselves if they want to pay the \$1 a member dues out of their earnings, or ask the individual member to pay. However, league officials strongly advocate the latter alternative.

In 1945 the dues schedule in North Dakota was five percent of gross income. This was changed

in 1947 to 50 cents per adult member plus 5 percent of net income.

In 1952 it was decided to introduce legislation that would make it possible for the board of directors of a credit union to deduct individual dues to the North Dakota Credit Union League from members share accounts.

John Hillerson testified before the State Legislative Committee on Finance, and the law was amended without any opposition. In effect, the legislative committee felt that anything as good as credit unions should be given all consideration possible.

In April, 1953 the league convention voted to introduce a dues schedule of \$1 per member plus 5 percent of net income.

"I am sure that none of us would have been disappointed if the delegates had turned down the dues schedule," says John Hillerson. "When the question of the by-law amendment was brought up to the delegates at the league meeting they discussed it for about 2½ hours pro and con. It was one of the most level-headed discussions I have ever heard at any annual meeting. The league board of di-

rectors did not enter the discussion, and when the vote came, 26 credit unions voted for the by-law amendment and 6 against it. The six negative voters did not vote against the dues schedule, but they felt that a change in the by-laws was premature." Most of them have changed their minds since then.

Preparations

During the summer of 1953 the league staff met with credit union board of directors and explained to them the need for more money in the league and the need for more activity in the credit union on the part of the individual member. It was felt that by paying \$1 dues the individual would become more aware of his membership and would take a more active part in the credit union affairs. During summer and fall membership drives John Hillerson and assistant managing director, Don Hofland talked to a score of members and prospective members who were told that it would cost them \$1 a year in the future to belong to the credit union. They had no objection at all, and several men-



Credit Unions In Fiji Islands

Four credit unions have been organized in the Fiji Islands by Father Marion Ganey, who also pioneered the development of credit unions in British Honduras. Arriving at the British Crown Colony late in November, he immediately set to work on an educational campaign among the islanders. Pamphlets, posters, and other equipment for the project—including a print of the movie "King's X"—were supplied by CUNA. Father Ganey has had the full support of the Reverend Victor Foley, Bishop of Fiji, and of Sir Ronald Garvey, governor of the colony.

The Fiji group, with a population close to 300,000, is made up of about 320 strung out in the Pacific, due east of Northern Australia. The populations is a mixture of native Fijians, Samoans, Europeans, and a large number of Indians who migrated early in the century.

In the picture above is a group of members of St. Michael's Credit Union, the first to be organized. Sitting in the front are Bishop Foley, Sir Ronald Garvey, and Father Ganey.

tioned that they would actually get more out of their credit union for \$1 than from any other organization.

During October eight educational sessions were held around the state and the question of individually paid membership dues was thoroughly discussed. Most directors and committeemen agreed that the proposed membership dues was what they were looking for, but again several of them feared that the membership would not go along.

Members Enthusiastic

Reports from John Hillerson, Don Hoffman, and Henry L. Timme indicate the enthusiasm for the new dues schedule on the part of the credit union members.

St. Mary's Credit Union, Fargo: "This credit union just completed its first full year of operation and is about to pay their first dues. The members seemed—by their comments—happy about taking a direct part in financing their league and there was no comment at all to the effect that \$1 was too much."

Valley City Farmers' Union Federal Credit Union, Valley City: "Those present were in favor of membership dues, leaving it up to the board of directors how to collect the money."

G.F. Telco Federal Credit Union, Fargo, Grand Forks: "The membership went on record favoring the dues schedule, and preferred that each member pay the dues from shares upon proper authorization."

Fargo Forum Federal Credit Union, Fargo: "Not a league member, but the members present expressed their desire to see the credit union as a part of the organized credit union movement and each said that they would like to pay the dues of \$1."

NDAC Employees Federal Credit Union, Fargo: "All present were in favor of the \$1 a year dues."

Portland Credit Union, Portland: "Dues were explained and the credit union voted 100 percent in favor of the members paying the \$1 per year, by deduction from shares."

Fargo Ford Credit Union, Fargo: "Discussed dues with the group and they voted to adopt the \$1 per year paid by the members deducted from shares. The vote was 100 percent and they seemed to really take to the idea."

Grand Forks Armour Employees Federal Credit Union, Grand Forks: "Prior to the meeting I had discussed the \$1 dues with the treasurer and the vice-president. They were both of the opinion that the members would not favor paying dues. At the annual meeting we discussed the dues question with the membership and after some questions it was voted unanimously to have the individual member pay the dues upon authorization."

Grand Forks Farmers' Union Credit Union, Grand Forks: "They

Canadian leagues have had dues paid by the individual credit union member for some time. Nova Scotia was first, followed by Ontario and most of the other province leagues. The dues varies from 50 cents to \$1 per member.

Some state leagues have had a dues schedule based on membership but paid out of credit union earnings. Kansas, for instance, recently introduced a dues schedule of 60 cents per member or 5 percent of gross earnings.

Many leagues are now discussing individually paid dues and several have appointed committees to study the question. Future developments in North Dakota will undoubtedly be watched closely by other league officials who need additional revenues to advance the credit union movement in their respective states.

accepted the \$1 dues with little discussion."

Jamestown Farmers' Union Federal Credit Union, Jamestown: "The membership voted to go along with the dues schedule of \$1 per adult member, plus five percent of the net income. Dues to be deducted from share accounts upon proper authorization from member."

Foster County Co-op Credit Union, Carrington: "The members voted unanimously to go along in supporting the board in joining the league, and deducting the dues from the individual share accounts."

Kulm Credit Union, Kulm: "The treasurer said that at one time he had opposed to the dues schedule of \$1 per adult members, and deducting it from the share accounts, but that he had decided after thinking it over, that there was more to it than hit the eye. He was for the dues schedule now, and when the vote was taken, his views were supported unanimously."

Benson County Co-op Credit Union, Maddock: "After some dis-

cussion, the membership voted to support the board in any action it might take in affiliating with the league and its present dues schedule."

Elgin Community Credit Union, Elgin: "The vote in this credit union was unanimous in support of affiliating with the league and adhere to its present dues schedule."

Foster County Credit Union, New Rockford: "One of the members at the annual meeting made this remark: We have no other choice than to belong to the league. And it looks with all the benefits of belonging to the league that \$1 is cheap."

Self Interest and Self Giving

FRANK McCULLOCH, administrative assistant to Senator Paul Douglas of Illinois told 1800 delegates and guests at the 18th Annual Meeting of the Michigan Credit Union League, "The credit union movement is a movement towards fellowship—a joining of self-interest and self-giving. It develops the kind of brotherhood that is essential to dynamic democracy. Unless this is present in our society we cannot unitedly meet the grave problems that face us both from within and without."

"We need to work hard to preserve freedom. There are many paths that await us. In our local communities there are many opportunities to stand up for freedom whenever it is abused. You have shown how from a small beginning you can go on to great achievements. Democracy needs you and I believe you need it. If everyone of you will do some of the job, Democracy is going to be greatly advanced by the members of the Michigan Credit Union League."

Education Is Important

IT IS NOT ENOUGH for a credit union to advertise to its field of membership that there exists an organization in which people should save their money and where they will receive sympathetic consideration of their applications for loans at reasonable interest rates. It is also necessary to let the potential members know how and why the credit union is there to serve them. They must be made to see that their control of the organization is necessary to create and make the credit union a lasting tool for service to them.

—Federal Credit Union Handbook.

THE CREDIT UNION BRIDGE NEWSLETTER

Trends in Brief:—Unemployment still rising, new statistical methods also boosts total upwards; Detroit, after special survey, declared a distressed labor area; steel production remains at about 75% of capacity the past month; inventories reported on the heavy side by the Chicago, Philadelphia, and New York Federal Reserve Districts based on present sales (heavy inventories indicate layoffs while light inventories indicate jobs); The Wall Street Journal reports, "Eisenhower pledged new anti-recession measures if business doesn't show signs of picking up in the next few weeks..."; labor recognized present trends by emphasizing job security and fringe benefits in present bargaining.

Less Money For Saving. Americans saved 36 percent less than they did last year at this time, according to the Securities and Exchange Commission. During the third quarter of 1953, they saved \$3.3 billion compared to \$3.4 billion during the second quarter of 1953, and \$5.2 billion during the third quarter of 1952.

The Up-Trend of Consumer Credit Volume Slows Down. The outstanding balances were reduced in some consumer credit classifications in recent months. The total consumer credit volume at the end of the year was \$28.8 or \$3 billion more than at the end of 1952. The November gain was \$100 million, while the year previous was \$350 million.

A \$2,469,000 Dividend Declared by CUNA Mutual Board:—Nearly \$1 million more were authorized in 1953 than 1952. Compared with the previous year the 1953 dividends were increased from 23% to 25% on AA Loan Protection contracts; and from 15% to 20% on Life Savings contracts. The AA-WD contract dividends remained at 20%.

The CUNA Executive Committee voted to sponsor a special CARE package to provide equipment for self-help community centers throughout the Philippine Islands. Such a package includes a jeep with electric generator, slide and film strip projector, films, books, and magazines. Plans underway will invite credit union sponsorship of CARE drives throughout the United States and Canada for this purpose.

The CUNA-CARE package will cost \$5,500 but individuals and organizations can subscribe for any portion of a package, or contribute to partial shares.

Hans Thunell, CARE representative, pointed out, "We are the greatest nation in the world. We are going to be faced with world problems as they arise in the future. We have a chance to determine certain developments throughout the world now. The Philippines is a new country. They are testing democracy. Their accomplishments can be a pattern for the other countries of Eastern Asia."

Vice-president Jackman (New York) said, "I don't think the CARE project is anything new. There is a human demand for CARE. It is an opportunity to help people that are in need now, and we should not shy away from that obligation...We should assume a responsibility in countries where we are needed. This is an opportunity to be a sponsor of a vital cause."

Finance Costs "now are the largest single item in the cost of housing" says A. F. of L. President Meany. What does it cost to finance \$10,000 for 20 years? The interest part of the cost is \$4544 at 4% per annum, \$5840 at 5%, and \$7208 at 6%.

CANADIAN OFFICE LIKES CARE. The staff of the Canadian office of CUNA has recently started a new program to send one CARE parcel to a needy family in a stricken country each month.

The Pennsylvania league is sending a typewriter to the Jamaica league, and also sent a Christmas check to Father Sullivan to help in credit union work in Jamaica.

CUNA to Sponsor A Three Week European Tour September 1-23 for credit union people to visit Scotland, England, Scandinavia, France, Italy, Germany. Arrangements include meeting government officials, co-op leaders, and attending International Co-operative Congress in Paris. Cost of tour will be approximately \$950; for round-trip flight, hotel accommodations, tips and luggage handling, special sight-seeing with local guides.

Tour arranged through American Travel Association to promote better understanding between Americans and peoples of other countries. CUNA Executive Committee endorsed the tour when meeting in Indianapolis in February.

WASHINGTON OFFICE:—Regional Credit Union Bill S.2890 introduced by Senator Sparkman of Alabama. The bill would provide for regional credit unions. The regionals would be empowered to receive deposits from credit unions and other regional credit unions; to make loans to credit unions; to borrow up to 100% of unimpaired capital and surplus; and to invest in government bonds and insured building and loan associations. The bill has been referred to the Senate Banking and Currency Committee.

S.1665 is now in the hands of the House Banking and Currency Committee. The President's Economic Report is presently occupying the attention of chairmen and some members of the committee. S.2110 (a bill to authorize federal credit unions to serve as executor or administrator of estates where the total assets do not exceed \$500) was introduced by Senator Butler of Maryland in June 1953. The Executive Committee voted to oppose this bill which supports the stand taken by the Bureau of Federal Credit Unions.

Federal Reserve Board Survey being made by Survey Research Center of the University of Michigan. Two of the questions asked are: "Do you think it's a good idea or a bad idea to buy things on the installment plan?" and "How does buying on installments work out for you?"

Credit Unions In Chile. A Chilean Federation of Credit Unions was organized in September with 23 affiliated credit unions and about 12,000 members. A 1952 year-end financial report shows 38 active credit unions with 27 additional groups being organized.

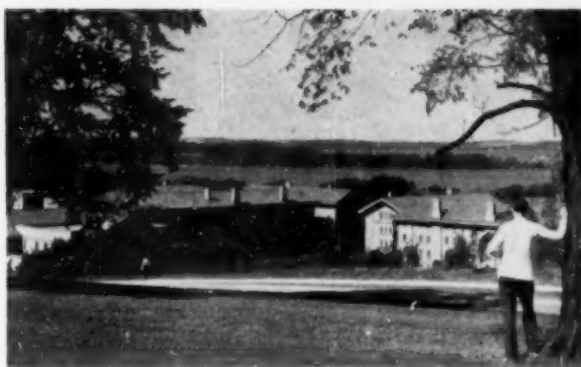
SCHOOL CREDIT UNION IN BWI, Roseau, Dominica. Mother Mary Adele (who visited Filene House last year) reports from the Island of Dominica, BWI, that the first school credit union has been organized there, following a six weeks study club in High School. Credit union studies now being started in all other schools.

Kansas Cracks Down on Small Loan Racketeers. Of 52 loan companies facing law suits, 35 have been forced to liquidate. Some companies are charged with violation of legal interest ceiling, others with conspiracy to violate Kansas laws by out-of-state ownership set-ups. Some local loan office managers were unable to name real owners of the business. While results of the campaign are encouraging, new legislation is needed for real solution of the problem, says First Assistant Attorney General, Paul E. Wilson.

Wall Street Journal Article on credit unions gets attention: CUNA Supply Cooperative reports that over 10,000 reprints were sold, and another 10,000 orders awaiting on the printing presses.

Credit Union Advertising Has Paid Off. 897 credit unions have been organized as a direct result of CUNA Mutual's Radio and Magazine Advertising Program. 818 of these credit unions have become members of their respective leagues, and 728 have availed themselves of one or more of CUNA Mutual's services. More than 90,000 inquiries have been received since the program was started two years ago.

NEW RADIO PROGRAM POSTER. Posters are now ready for mailing to all leagues and credit unions in the U.S., advertising the new Lorne Greene 5-minute radio programs for credit unions. Leagues will be informed of station and time of local programs.



Left: The university dormitories in which the Credit Union School students will be housed; Right: A view of Lake Mendota taken from the Memorial Union. (UW News Service Photo)

For Credit Union School Students: Education, Work, and Companionship

THE SCHOOL FOR CREDIT UNION PERSONNEL is a joint venture of the University of Wisconsin and the Credit Union National Association. It resulted directly from a conviction on the part of credit union leaders that such training would be invaluable to both the students and the credit union movement.

Credit unions have definitely grown up in both number and size. With the increases in recent years has come a growing need for trained, capable personnel who are able and willing to devote full time to credit union work and make it their career. Credit unions, credit union leagues and CUNA need better trained, qualified and competent office personnel and field representatives.

It is essential that people interested in these positions understand thoroughly the credit union history, philosophy and procedures. If a basic understanding can be gained prior to or early in their credit union career, both they and the credit union movement will be advanced tremendously. The credit union school provides the opportunity for obtaining the understanding and knowledge of credit union principles, problems and procedures.

A Typical Day

Lecturers for the various subjects will come from CUNA staff, University of Wisconsin staff, League and Credit Union personnel and outside business or professional sources. The course is scheduled in 50 minute classes with a 10 minute break between

classes. It covers five days a week for two weeks—July 11-24, 1954. A typical day consists of classes from 8:30 to 11:30; lunch from 11:20 to 1:00; classes from 1:00 to 3:50; recreation and dinner from 3:50 to 7:30, and a seminar session from 7:30 to 8:30.

Classes will be held in the same building in which students are housed and fed. The fact students will be housed, fed and taught in a group and all in the same building will enable them to share experiences and assimilate the information to a greater degree than would otherwise be possible. The

opportunity to hold informal discussions among themselves has considerable value and can only be accomplished through the dormitory plan. Both men and women are eligible for enrollment in the course.

Outline of Course

I Chronological, Economic and Social History of Credit Unions

II Applied Economics

Business Outlook—Monetary Policy—Current Economic Scene—Lending Policies of Financial Institutions—Current Monetary Developments



Bascom Hall, administration building of the University of Wisconsin. The university, one of the largest and most respected educational institutions in the United States, was founded in 1848. (UW News Service Photo)

III History and Significance of Credit Union Central Organizations

Chapters—Leagues—CUNA
—CUNA Supply—CUNA Mutual—Central Credit Unions
—Other Associations

IV Business Administration

Installment Lending by Commercial Banks—Corporate Financial Policy—Mortgages and Notes—Personal Finance, Real Estate, Personal Finance, Securities

V Credit Union Operation

Accounting Procedures—Office Management and Training Employees—Credit Union Law and By-Laws—Commercial Law—Personnel Program

VI Organization and Management

Organization of a Credit Union—Duties of Officers, Directors and Committees—Lending Policies—Comparative Study of Laws and By-Laws—Public Relations

VII Human Relations

Man in Society—Contemporary American Society—Introduction to Psychology—Human Behavior—Practical Applications

VIII Bookkeeping and Accounting Principles

Basic Double Entry Bookkeeping—Statements—Accounting Procedure

IX Insurance

Life—Property and Casualty—Accident and Health—Pension Plans—Cuna Mutual Insurance Society

X Salesmanship

Fundamental and Techniques

of Selling—Personnel Problems—Effective Speaking—Business Letter Writing

XI Credit Union Operation (Continued)

Collection Procedures—Dividends and Interest—Surety Bonds—Deposit Insurance

XII Advertising, Education and Promotion

Advertising Procedures—Current Advertising Developments—Education and Promotion—CUNA Advertising Program

Certificates to be Awarded

This is a THREE YEAR course, with two weeks residence study each year and a moderate amount of written material to be submitted during the interval between the first and second and the second and third years.

Upon completion of the course, a certificate will be given each student who has maintained a reasonable scholastic average. Only fifty students will be accepted for

enrollment in any one year.

Although Wisconsin ranks high as a vacationland and many persons interested in the course may find it necessary to use their normal vacation time for the course, we must request that students NOT be accompanied by their family unless absolutely necessary. There are no facilities at the University available for housing and feeding persons other than students and the schedule obviously allows very limited time that might be spent with the family. If it is imperative for the student to bring his family, arrangements for housing must be made in advance. The University Housing Bureau (434 Sterling Place, Madison, Wisconsin) would be pleased to assist such students.

The University of Wisconsin is the sixth largest university in the United States from the standpoint of enrollment. Its reputation and prestige are world wide. Its graduates have played a prominent part in state, national and international affairs and in all phases of our



This is an architect's drawing of the future home of the University of Wisconsin School of Commerce, co-sponsor of the Credit Union School. Construction will begin this summer. (UW News Service Photo)



Memorial Union is the recreation center of the University of Wisconsin. Situated on the shores of Lake Mendota, it has four restaurants, two theaters, libraries, and numerous other recreational facilities. To the right is a view of the Memorial Union Terrace, facing Lake Mendota. (UW News Service Photo)

social, political, economic and scientific development. Its campus is among the most beautiful in North America. Its facilities for both learning and recreation are among the best to be found anywhere.

Visit To Filene House

One afternoon during the course will be devoted to a visit to Filene House, the international headquarters of the Credit Union Movement. There you will meet some of the people who have been identified with credit union development almost from the time of its origin in the United States: people whose experience and knowledge can be of inestimable value to you in your future credit union activities. There you will also see the surprising volume and multiple endeavors which have grown with and out of the credit union expansion over the Western Hemisphere. You will see with your own eyes what a large, live, progressive force this credit union idea is and you will be glad and proud you are a part of it.

You Should Be A Co-operator

Because Cooperation benefits one and all without doing injury to any;

Because Cooperation is better economics and higher morality;

Because Cooperation educates all classes in the principles of social and industrial reconstruction;

Because Cooperation successfully cultivates individuality while preventing the abuses of economic exploiters and loan sharks;

Because Cooperation affords the greatest hope of a permanent improvement in the condition of the people;

Because Cooperation aids the establishment of peace on earth and goodwill among the people;

Because Cooperation eliminates the parasites of society;

Because Cooperation converts weakness into strength; and

Because Cooperation is the noblest of all ways to improve the condition of mankind.

—From the Annual Report of the Mahad Arca Marketing Society, Shimoga, India.

Across the desk

By Stanley Harris



toward a solution of all problems affecting their economic welfare.

Automobiles have become a necessity. Along with opening up a huge new demand for loan service, they have created tremendous new personal liability hazards. Next to a home, the automobile is usually the largest single expenditure made by the average family. And, as is usually the case, usury also takes its greedy toll in this field of financing.

Credit union leaders in most states recognized the growing importance of automobile financing for their members. At many meetings it became evident that the problems of automobile financing and good automobile insurance procurement facilities were not limited to one group or one section of the country, but that it was a mutual problem. Here again it became apparent that the best solution to mutual problems comes through a mutual and united effort.

"What problems?" you say. The convenience of "one-stop service" offered by most finance companies—credit union members only half insured—financing with no personal liability protection—sub-

OCCASIONALLY we're asked "Why an automobile insurance program?" Perhaps again the basic answer is that a credit union tries to help its members and their families

standard coverage—no recourse on unsatisfactory claim adjustments—are the most frequent. These problems add up to one conclusion and that is that credit unions are handicapped in serving the automobile financing needs of their members unless they can offer the same complete "one-stop service" provided through other financial organizations.

The result, of course, was the creation of a new and special service that could be offered credit unions, called the CUNA Automobile Insurance Program. Special credit union features such as the automatic loss payable clause, automatic follow-up on renewals, and the privilege of arbitrating possible disputed claims are an essential part of this program. For the member it offers standard or better protection, reasonable rates, absolute assurance of fair claim adjustments, and counsel from those interested in his welfare. Every effort is made to help the member from being only half insured.

While still unable to serve all states because of legal technicalities and restrictions on licensing imposed by some, this program does presently serve credit unions in 26 states and the territory of Alaska.

Precaution

"Doc, you'll have to keep me alive—at least long enough to pay this bill."

Destination Certain

WHEN THE MOTORIST who crashed into a telephone pole and brought down the wires recovered consciousness, his hands were clutching the wire. "Thank Heaven," he exclaimed fervently, "It's a harp."



CUNA Canadian Building as of February 1, 1954.

Solve Social and Economic Problems

By C. A. Woolard

FORMERLY the Dutch East Indies, the new Republic of Indonesia is probably best known to the world for its fabulous islands. Starting with the famed Spice Islands of the Celebes and Moluccas in the east, its far-flung perimeter embraces Timor, Bali, Java, Sumatra, the Bangkas, and most of Borneo. Sweeping three thousand miles along the equator, this magnificent chain almost joins the continent of Asia with Australia, and its 80,000,000 people place it sixth in population among the world's family of nations.

For centuries the names of these islands of the Indies have been known to the west chiefly for their exotic products. Rubber and tin from Sumatra and the Bangkas, tea and teakwood from Java, cloves and sandalwood from the Celebes, all have long established trade names in the world's commerce. Equally as strange and fascinating, the customs of the people of these distant lands have provided romantic back-grounds for some of our most colorful fiction, but are virtually unknown otherwise. Thus it may come as a surprise to many of us to find such a progressive and thoroughly western institution as the credit union flourishing in this remote and picturesque archipelago.



Mr. Omo, chairman of the credit union, discusses problems with Mr. Woolard, Point IV adviser, and Mr. Ramelan, director of Bandung Cooperative Service Training School.

(Foreign Operations Administration Photo)

Known simply as credit cooperatives in Indonesia, credit unions comprise about two-thirds of the seven thousand or more cooperatives of all types operating in the country. They were introduced about a quarter-century ago, largely through the efforts of Dr. Hatta, famed independence leader and now vice president of the Republic, who studied the movement in Europe during his

student days. Today he is indeed esteemed almost as much for bringing the cooperative to his people as he is revered as the architect of their freedom.

Although the movement was well established by 1940, most of the cooperatives of Indonesia were disbanded during the Japanese occupation and subsequent four years of the independence struggle. However, a spectacular come-back has been made since full sovereignty was achieved in 1949, with much help from the new government, which is probably the most cooperative-minded in the world. One reason for this attitude is the fact that many of its present leaders, like Dr. Hatta himself, were cooperative workers in pre-independence days. Another is that the Constitution of Indonesia mandates the government to organize the entire economy of the people, eventually, on a cooperative basis.

Wisely directing its efforts towards mass education, one of the first acts of the Indonesian government was to establish a national Cooperative Service. A bureau of the Ministry of Economic Affairs, this Service has more than 800 employees and maintains offices in all Provinces of the country. Organized in 1950, its first project was the establishment of a country-wide system of training centers for village youths in the theory and practice of cooperation. These were boarding schools, offering free of charge four weeks of class-room instruction in the techniques of cooperative organization, management, and bookkeeping. Adopting a standardized schedule of studies requiring 168 hours of work, classes were limited to 35 students qualifying for the course by stiff entrance examinations. By the end of 1952 there were 26 training centers in operation and more than 5,000 students had been graduated in Java, Sumatra, Borneo and the Celebes.

Although it is too soon to evaluate the total effect of such a program, hundreds of new cooperatives organized by students of these schools can be counted. One of the



Main street in the city of Bandung, Indonesia taken from Savoy Hotel. Along the street are Chinese, Dutch, and Indian mercantile establishments.

(Foreign Operations Administration Photo)

most interesting example is a credit cooperative in the great Pasar Baru (New Market) of Bandung, a mountain city in west Java, where the first Cooperative Training School was opened.

Often called the Paris of Indonesia, Bandung is its third largest city. Long popular as a resort town in colonial times because of its delightful climate, it is a rich manufacturing and trade center of 800,000 population, with many fine homes, schools, modern hotels and scenic attractions. Sprawling over two city blocks near the center of town, the Pasar Baru is an open market-place where the produce of farm and factory alike is bought and sold all day long by thousands of small merchant-traders, most of whom are native Indonesians. Bustling with color and activity, the Pasar is the center of native life in all Indonesian cities and one of their most fascinating spectacles.

Unlike their more fortunate Chinese, Indian and Dutch rivals in the larger merchant houses of the town, the little Indonesian merchants of the Pasar have no access to bank credits, and for centuries have been a prized victim of the itinerant money-lender. Lending small sums without collateral security at fantastic interest rates, these "walking money-lenders are protected by losses by the necessity that the borrower preserve "face" in order to obtain future credits. Acknowledged as providing an essential service, the evil institution of the money-lender has long stumped the experts in the search for something better. Thus it was no accident that he was selected as the prime target of the Cooperative Service training program.

Rounding up students for his first

class, Mr. Ramelan, the newly appointed Director of the Bandung Cooperative Service Training School, headed straight for the



Mr. Ramelan, who is mentioned in this article, visited the Credit Union National Association last fall while on a four months study trip in the United States sponsored by the Mutual Security Agency.

For another article on credit unions in Indonesia, see *The Credit Union Bridge*, March, 1953 issue, page 6.

nearby Pasar and the fruit-vending stall of an old friend, Mr. Omo. There, over a glass of hot tea in the back of the stall, he succeeded in convincing Mr. Omo that there was a way, through the credit cooperative, whereby he and his neighbors could free themselves of the burden of the money-lender. Mr. Omo talked it over with a small group of his fellow merchants that night. They agreed to try the idea, and also to help Mrs. Omo run the family business while Mr. Omo attended the day-long classes at the Cooperative Training School to learn the techniques involved.

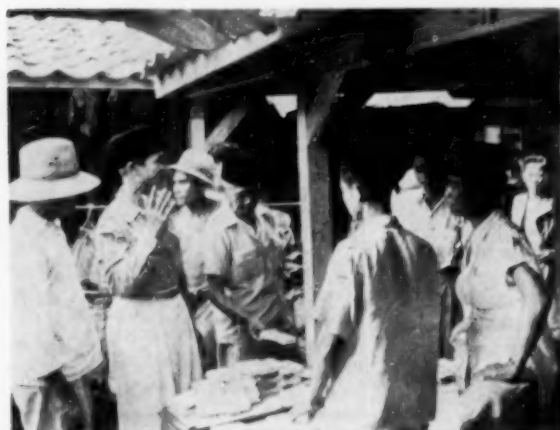
Enrolling the next morning, Mr. Omo breezed through the difficult course with ease, his mind quickened by a vision. Graduating at the top of the class four weeks later, he returned to the Pasar and promptly called a meeting of his sponsors. Thirty-four men and women in all, that night they met standing in and around Mr. Omo's tiny stall, and there in the flickering light of a kerosene lantern formally adopted the by-laws of the

Pasar Baru Credit Cooperative of Bandung. Electing Mr. Omo as chairman of a board of directors of five, executive officers were selected, and a ten Rupiah share purchase was paid in by each of the members present before the meeting adjourned.

The next morning the members erected a lean-to shack in a corner of the market and the little credit cooperative opened for business. Ignoring the banter of the skeptical and smirks of the money-lenders with cheerful aplomb, Mr. Omo set up his books, loaned out his total capital, and took off around the Pasar on a membership campaign. Prospective members were invited to inspect the model office, complete with abacus (Chinese calculator), neatly ruled ledgers, and most important of all, the interest tables posted for all to see. These proved to be his best possible advertisement. Scaled to the unbelievable rate of one and one-half percent per month on unpaid balances, (as against the money-lender's rate of forty percent per month) they kept a crowd of doubters waiting for hours to witness the first loan repayment.

This event happened in a matter of hours, too. One of the first borrowers had used a 25 Rupiah (about \$2.00) loan to buy fresh fish trucked up from the coastal city of Djakarta that morning. Selling quickly in a scarce market, the borrower returned to repay the loan at noon. A private money-lender's charge would have been a straight 10% for this loan. Consulting his interest tables, Mr. Omo found the credit cooperative's total permissible charge to be a sen (one hundredth part of a Rupiah) and a fraction.

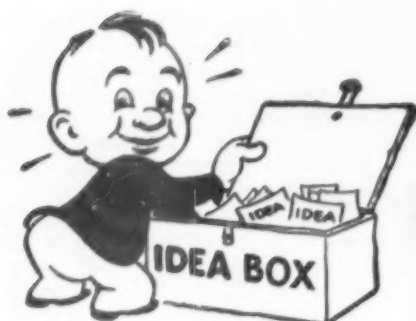
(Continued on page 26)



Indonesian merchants and shoppers. The credit union operates in a building behind the market place.



(Foreign Operations Administration Photo)



Idea Exchange

THE CREDIT UNION BRIDGE suggests:

1. that you mark and use the ideas which attract you.
2. that you adapt them to conversation, pay inserts, circulars, blotters, posters, and house organs.
3. that illustrations be reproduced by tracing, photo-offset, or photo engraving.
4. that each release contains full directions as to where and when credit union service is available.

Please send copies of all your publicity material to The Credit Union Bride. Your participation in the Idea Exchange is helpful to other credit unions and sincerely appreciated.

Spring Time is Coming

January and February
Have gone into the past,
Springtime is coming
And it's coming pretty fast.

Are you ready for the garden?
Are your plans already made?
Did you buy the tools you wanted,
The hoe, the rake, the spade?

You may want a new lawn mower,
A roller or some seed,
And you find you haven't the money
To buy all the things you need.

Yet your problem is so easy,
All these things you soon can own,
If you make an application
For a CREDIT UNION loan.
—Eye Opener, Stelco Employees Credit Union,
Hamilton, Ontario.

No Money Left Over?

THIS IS AIMED at those members of the credit union whose "savings program" has become a "saved program," whose share(s?) may be found covered with dust in the cof-

fers of the manager, and who, no doubt, each year, make a New Year's resolve to seriously do some saving.

One of our collectors had a backward boy in his bailiwick, who, when approached on the matter of becoming a member, always alibied with "I never have any money left over."

This collector pointed out to him that each month he had seen the b.b. doing what so many did in those days—making out a list just ahead of payday: rent \$40, utilities \$6.50, 'phone \$2.25, Kerr's \$2, Brown's \$14, etc., etc. Sternly the collector informed him that he should begin that list with "credit union \$5," and then to get into the other items. If he did that, he wouldn't have to weakly answer with "I don't have any money left over" when asked to join ESEO. The collector insisted that he treat the matter of savings just as he did any other creditor—he was the creditor and owed it to himself to set up a systematic way of saving.

Militantly the collector hammered at the b.b. each month to accept the logic in the former's argument. After several months the b.b. grimly announced that he was tired of all the lectures and was going to stop it right then and there—and handed, with a flourish, to the collector a check for \$5.25.

Thenceforth each month when the collector appeared on his rounds, the now w.b. (wise boy) had ready for him a check for \$5 plus his union dues. Time passed, and one day the collector, looking up from his desk, saw before him his convert. Since their work never called upon the convert to come to the collector's office, the latter asked in surprise what brought him there.

"Last night," the convert answered, "I was going through my records and ran on to credit union pass book. I want to thank you for sixty

dollars I wouldn't have if you hadn't kept after me to join up."

MORAL: It's included in the above.

—Revised from ESEO REMINDER, Oklahoma City Oklahoma.

Automobile Loans

USUALLY ABOUT this time of year, after Christmas bills, taxes, and so forth have been squared away, our thoughts turn toward the old jalopy.

The big question—Will it last another year? How much extra will I have to pay for a later model? What about financing?

Oh yes, that is where the credit union comes to the rescue, because cars cost less when financed the credit union way. You pay back, principal plus interest, on the unpaid balance only for the time you use the money. There are no hidden charges and the loan insurance is free.

Your credit union is conveniently located and is ready to serve you for saving or borrowing.

—Contributed by Northwest Engineering Credit Union, Green Bay, Wisconsin.

Watch Your Savings Grow

HAVE YOU HAD your dividend entered in your pass book, if not, please stop in at your early convenience or drop it in one of the deposit boxes located in the factory. We will send it back to your department or home if you wish.

—Contributed by Elgin Credit Union, Elgin, Illinois.

April Poster

For cut of the April poster in CUNA Supply Cooperative's Poster-a-month subscription service, see page 24. Mats of the cut are available for 30 cents.



EASTER OR ANYTIME, IT'S SMART TO PUT ALL YOUR FINANCIAL EGGS IN ONE CREDIT UNION BASKET

—Contributed by Eureka Williams Federal Credit Union, Bloomington, Illinois.

Credit Union Day Publicity Contest Winners Are B. C. League and Woodstock Chapter

CANADA TOOK TOP HONORS in CUNA's first Credit Union Day Publicity Contest—cornering first place in both the league and chapter divisions.

The winners, as announced by President Yates at the CUNA Executive meeting in February are:

Best League Publicity—British Columbia Credit Union League

Best Chapter Publicity—Woodstock District Credit Union Chapter, Woodstock, Ontario

Handsome engraved plaques will be presented to both.

How Winners Were Chosen

The judges who made the selection—Professor Scott Cutlip, Public Relations Specialist at the University of Wisconsin School of Journalism; and Louise Marston, an editor of the Wisconsin State Journal—agreed that the high over-all quality of the entries made this contest “a mighty tough one to judge.” To arrive at their choice, they carefully measured inches of newspaper and magazine space, weighed their quality, took into account the extent to which other publicity sources were used (radio, TV, etc.) and compared entries for success in getting the complete credit union story across, as well as for publicizing Credit Union Day celebrations.

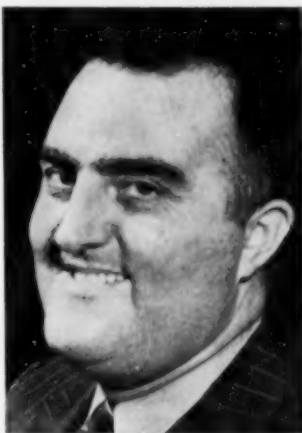
In singling out British Columbia, Professor Cutlip and Miss Marston praised the league's comprehensive and well-balanced publicity program. The British Columbia League obtained extensive newspaper space and editorial comment on Credit Union Day. It also used radio, house publications, religious and political publications, a co-op magazine, and submitted feature, column and editorial ideas to newspaper staffs. The British Columbia League drew special praise for “attractive typography and display in its publicity” and for “encouraging and helping local chapters get newspaper publicity.”

Michigan League Cited

Professor Cutlip made a point of commending the job done by the runner-up in this division—the Michigan League. The Michigan League drew congratulations for capitalizing on the prestige of the

governor's office and for effective use of TV.

Said Professor Cutlip, “The Michigan League went far beyond the usual proclamation and news pictures . . . to set up radio and TV shows with the governor. The chapters of the Michigan League all followed through with what appeared to be good local programs on Credit Union Day. Michigan shows the way in the use of TV, including four TV showings of ‘King’s X’.”



Two independent judges chose the winners of the Credit Union Day Publicity Contest. Professor Scott Cutlip, member of the School of Journalism faculty at the University of Wisconsin, is a nationally recognized authority on public relations, having collaborated on a text book on the subject. Miss Louise Marston is a well-known newspaper woman in Wisconsin and one of the editors of the Wisconsin State Journal, published in Madison, Wisconsin.

The Ontario League, which tied with Michigan for second place, received commendation for “a thorough job of newspaper publicity,” and for “effective internal publicity.”

Woodstock Program Varied

In the chapter division, Woodstock came in for high praise. “This chapter led all others entered in the contest by a wide margin in amount and variety of publicity obtained,” Professor Cutlip noted. Woodstock's program included a wide use of posters, radio broadcasts, credit union publications, several large newspaper advertisements, newspaper stories and pictures.

Both judges gave second place to the Sequoia Chapter in California. They were particularly impressed by the work it did in publicizing the Credit Union Day dinner.

Gratifying Response

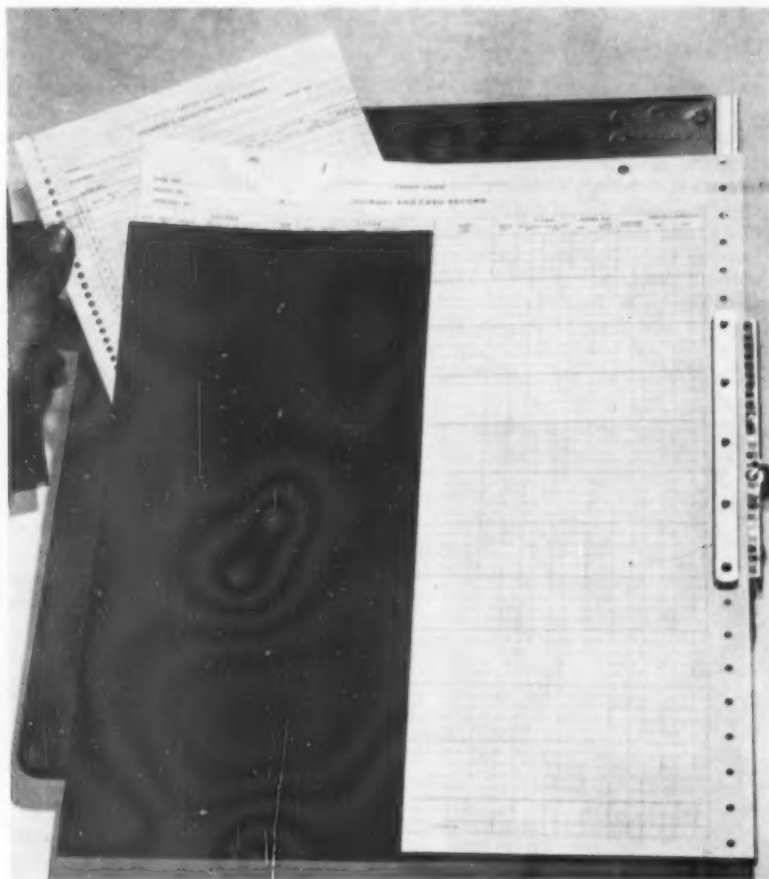
“We are gratified at the fine response to our first annual Credit Union Day Publicity contest,” said Marion Gregory, public relations director of CUNA. “As you know, the contest was judged by two independent, highly qualified people, without any suggestions whatsoever from any members of the CUNA staff. We offer our sincere congratulations to the winners. However, I want to say this: we are proud of all of our entrants, and I want to sincerely thank each one for taking the time and trouble to prepare the entries, all of which were of high quality.”

Entries Available As Idea Source

All entries in 1953's Credit Union Day Publicity Contest have been placed on circulation in CUNA's library. They're to be lent to any chapter or league interested in widening its stock of public relations ideas—not only for this year's contest, but for a year-round program of helping the public understand the credit union story. The Public Relations Department of CUNA will lend entries on request.

And remember—if you'd like to see your league or chapter heading the contest winner's column in 1954, it's never too early to start mapping out strategy for your Credit Union Day publicity campaign!

CUNA POST: Three Entries in One



THE CUNAPOST is designed to complete three records in one operation, i.e. Member's Passbook, (Form FCU 1532), or, if preferred, Member's Quarterly Statement (Form FCU 1531), the Individual Share and Loan Ledger and the Journal, and Cash Record. This will save the treasurer or his assistant at least half the time required to write these records individually. Additional time is saved because all three records are in conformity at all times, the Member's Passbook or Quarterly Statement and the Journal and Cash Record being carbon copies of the member's ledger. The possibility of transcription errors is eliminated. Accuracy is further assured by daily proof of the records by a simple test. Total of old loan balances plus new loans (Dr.) less repayments (Cr.) must equal the total new balances. Similarly, the total old share balances less withdrawals (Dr.) plus payments (Cr.) must equal the total new balances. Therefore, if an error should occur, it is discovered the same day and the records corrected at once. In the use of the CUNAPOST system, the credit union can elect to use either the Member's Passbook or a Member's Quarterly Statement. If the Member's Quarterly Statement is used instead of the Passbook, it can be filed with

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the Individual Share and Loan Ledger and mailed to the member once each quarter. As the member is very apt to crumple or tear the Passbook, it is recommended that the credit union, whenever possible, use the Quarterly Statement. In cases where credit unions have payroll deductions, it is quite natural that the Member's Quarterly Statement (Form FCU 1531) would be used. This form is also recommended to credit unions who do not use payroll deductions; however your Supervisory Department may require that your credit union use the Member's Passbook (Form FCU 1532).

Founders Club

New Members

SINCE OUR LAST REPORT the following new members have been admitted to the Founders Club:

Mr. J. Ronald Bingham, Taseco Employees Federal Credit Union, Nampa, Idaho.

Mr. Walfred Anderson, Jamestown Officers Federal Credit Union, Jamestown, New York.

Mr. Arthur L. Porter, Cooperative Consumers of New Haven Federal Credit Union, New Haven, Connecticut.

Mr. H. A. Meyer, C. F. & I. Power Department Credit Union, Pueblo, Colorado.

Mr. C. I. Lemoine, Mount Garfield Federal Credit Union, Grand Junction, Colorado.

Mr. Lee Roy O. Risdon, Field Ernst Employees Federal Credit Union, San Francisco, California.

Mr. William J. Waite, Jr., San Diego Naval Hospital Credit Union, San Diego, California.

Mr. Fred Hayhurst, Mercury Mills Employees Credit Union, Hamilton, Ontario.

Mr. Bernard Reist, Cangeo (Davenport Works) Credit Union, Ltd., Toronto, Ontario.

Miss Doris Massie, P.T.S. Federal Credit Union, Ft. Worth, Texas.

Mr. Farren E. James, Austin TEC Credit Union, Waco, Texas.

Mr. R. C. Morgan, Government Employees Credit Union, El Paso, Texas.

Mr. K. G. Buckley, Panabro Federal Credit Union, Brownsville, Texas.

Mr. Nolan E. Hertel, Temple Federal Employees Federal Credit Union, Temple, Texas.

Mr. Arthur Teeple, Richfield Employees No. 4 Federal Credit Union, Wilmington, California.

Mr. R. E. Skidmore, Canadian National Employees (Stratford) Credit Union, Ltd., Stratford, Ontario.

Mr. William G. Robbins, Simco Federal Credit Union, Cambridge, Massachusetts.

Mr. Mark J. Nea, U.A.W. Local No. 180 Credit Union, Racine, Wisconsin.

Mr. Evan Jones, Lakeview Credit Union, Neenah, Wisconsin.

Mr. G. W. Johnson, Castlegar Savings Credit Union, Castlegar, British Columbia.

Mr. Wilfrid J. Boudreau, Bakery Employees Credit Union, Providence, Rhode Island.

Mr. Joseph Penkala, Columbus Credit Union, Warren, Rhode Island.

Mr. Alexander Chmielewski, Rhode Island State Employees Credit Union, Providence, Rhode Island.

Mr. Teddy Sipes, Alamo Federal Credit Union, San Antonio, Texas.

Mr. James Gaetz, Red Deer Community Savings & Credit Union, Red Deer, Alberta.

Rev. Edward Gellinas, Our Lady of the Lake Parish Credit Union, St. Albans Bay, Vermont.

Mr. Herbert C. Hunter, P. C. Glassworkers Credit Union, Sedalia, Missouri.

Mr. John L. Keusenkothen, St. Augustine Credit Union, Kelso, Missouri.

Mr. Fred J. Iverson, San Fernando VAW Federal Credit Union, San Fernando, California.

Mr. W. C. Newman, Panhandle & Santa Fe General Office Employees Federal Credit Union, Amarillo, Texas.

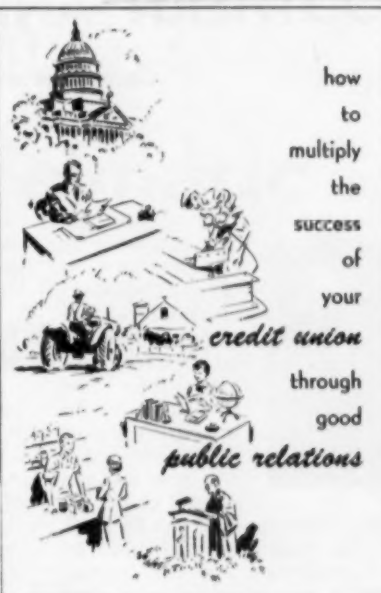
Mr. John T. Adams, Sinclair Houston Federal Credit Union, Houston, Texas.

Mr. J. M. Kinberger, Humble Employees Katy Federal Credit Union, Katy, Texas.

Mr. L. E. McMakin, Sinclair Houston Refinery Employees Federal Credit Union, Houston, Texas.

March, 1954

How to serve well as a director of your credit union



how
to
multiply
the
success
of
your
credit union
through
good

public relations

So much help; so little cost

Invest in happier, more productive credit union workers; more successful credit unions. Order copies of each of these pamphlets for every director and committee member. (Cost varies a little in different areas; see price list in your CUNA Supply Catalog.)

Just fill in blanks and mail this advertisement to your league supply department if your league has one; otherwise direct to us.

Cuna Supply Cooperative

the credit unions' own supply company

—copies Form Ed. 31—Guide to Credit Union Operation

—copies Form Ed. 37—Credit Union's Proper Place in History

—copies Form Ed. 64—How to serve well as a director of your credit union

—copies Form Ed. 68—How to multiply the success of your credit union through good public relations

—Package Deal—16 copies of each of the above four pamphlets

Mail to your league supply department or to

CUNA Supply Cooperative

Madison 1, Wisconsin

Hamilton, Ontario

SOUTHERN AND CENTRAL IN DEAD HEAT

Canadian and Northeastern Districts Near Goal

By W. B. Tenney

Assistant Director of Organization and Education



JANUARY FELL RIGHT IN LINE with previous months in setting a new high for credit union organization. The 191 new credit unions reported by 40 states and provinces was the largest ever recorded in January. It was 55 more than the December score and 26 greater than last January. Quebec was far out in front for the month with 22. California captured second place with 15. Ontario and Texas each added 12 to their list, while Illinois rounded out the first five group with 11. Indiana became the second casualty this year among the senior members of the one-or-more-each-month club and tripped after completing 24 months. California, Ohio, Texas, Illinois, Michigan, Florida, New Jersey, Missouri, Ontario, and Pennsylvania remain senior members in that order. Only four junior members, Georgia, Massachusetts, New York, and Wisconsin remain in position to graduate to the senior group by scoring during February. We ardently hope all of them succeed.

New Credit Union Drive

The 2000 goal which (to some) looked so distant last March is well in view as we enter the final month of this fiscal year. In the 11 months ending January 31, there have been 1886 new credit unions reported and only a major set-back will cause us to fall short of the goal. Our score is well over 400 more than the same months last year and very close to twice as many as in the same months of 1950. Ontario has a precarious hold on first place for the 11 months with 163. California is challenging strongly with 161. Michigan has anything but a secure grip on third with 139, since Illinois and Texas, with respective scores of 138 and 132, could change that picture in a hurry. Incidentally, considerable credit

is due these five leagues as they have accounted for nearly 40% of the total number.

Although the Central District has led the way almost from the beginning of the year, the Southern District has finally caught up and they enter the final month in a dead heat. Percentagewise, they are tied, but the Southern District earned first listing because of the higher number of credit unions organized. It is almost as encouraging to note that the Canadian, Northeastern and Western Districts are quite likely to reach their goal in the remaining time. The Canadian District needs but 11 more; the Northeastern only 10 more; the Western just 29 more. Still further satisfaction may be gained by the almost obvious fact that the Midwestern District will finish above last place.

The League Honor Roll at the end of January lists 31 names, and

all but three have reached or exceeded 100% of their quota. Several others are very close and could join the 100% club with a bit more effort. It will be very gratifying to list almost half the leagues on this Honor Roll at the annual meeting next May. The January Roll is 2 larger than last year, and the number of 100%-ers is 4 larger.

Volunteer Organization

More names and more credit unions! That is the story on the National Director Honor Roll during January. There were 4 new names and 27 more new credit unions added to the list. The score now reads 158 credit unions reported by 37 Directors and 9 Alternates. We are very pleased with the increase, but still would like to see the names of many more non-employees. This activity runs on until April 30, so don't hesitate

Who Pays The Debt?

THE WORLD'S GREATEST ACCOMPLISHMENTS were given to us without hope for reward. We accept them and use them with scarcely a conscious thought of how they came to us. Brought to our attention, most of us would confess our gratitude for these fruits of another's labors which we enjoy.

And so it is with our credit union. We know it is good. We work for it, we preach its virtues and we accept its blessings. There certainly is nothing wrong in this.

But no credit union just happened. The founders of your credit union and mine took an idea and went to work to build, from nothing more than an idea, our credit unions. To these founders we owe THE DEBT for their efforts to bring a credit union into being. To them and others we owe THE DEBT for their untiring efforts toward making it grow and progress. If we would, we could not repay these people in dollars for all they have done. They themselves would tell us to do as much to give some other group what they have given us. That is how we may pay THE DEBT. We are the only ones who can.

Begin now to look around you. Find the situations where credit unions are needed. Then do something about it. Your own enthusiasm will carry you along in the right direction once you make up your mind to it. Your league will help you if you need it. Organization kits are available in the league office. The material to work on is everywhere; help is all about you. It's up to you to press the starter. Do it today. **Organize a credit union.**

By Iowa Credit Union League Organization Committee: R. C. Christensen, C. H. Parmely, James Stewart.

TEAMWORK PAYS DIVIDENDS

*Time-Saving,
Money-Saving*

Burroughs Sensimatic

*Accounting
Machines*

*Accounting
Systems*



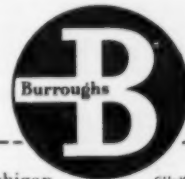
Here's new time-saving simplicity for credit union accounting! The fastest credit union accounting machine teamed with a simplified accounting system designed by Burroughs especially for credit union work.

The Burroughs Sensimatic accounting machine brings new standards of accuracy and speed to credit union work, plus important savings in time. It is so simple to operate even a beginner quickly becomes expert. It reduces balancing time and combines all window work into one swift process to give better member service.

Sensimatic accounting systems, designed to simplify either window or payroll deduction plans, have been given full approval by both the Bureau of Federal Credit Unions and Credit Union National Association.

Take advantage of the savings of a low-cost Sensimatic accounting machine and a Burroughs system. Call your Burroughs representative today for a demonstration, or write Burroughs Corporation, Detroit 32, Michigan.

WHEREVER THERE'S BUSINESS THERE'S



FREE—
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Sensimatic
Credit Union
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BURROUGHS CORPORATION, Detroit 32, Michigan
Please send me a copy of the booklet "For the First Time--Low-Cost Speed and Efficiency in Credit Union Accounting."

NAME _____
ADDRESS _____
CITY _____ ZONE _____ STATE _____
TITLE _____ CREDIT UNION _____

now under the mistaken impression there isn't enough time left. You can almost take a charter application the night before you leave for the meeting in Madison and still have it counted, and your name placed on the Honor Roll.

1953 Volunteer Organizers Contest

The Volunteer Organizers Contest is putting on a strong finish also. The line-up at the end of January shows 147 new credit unions reported by 46 contestants and 13 have already qualified for the winner's circle. This is higher

in every respect than any previous contest. It exceeds the same months last year by 16 credit unions, 17 contestants, and 1 winner. The race is far from over. In the remaining month, several contestants could reach the 5 mark necessary to win a prize and even the first place could change hands.

Just a reminder that the 1954 Volunteer Organizers Contest begins on March 1! This is your chance to enter early and really list the credit unions to your credit in the contest. Let's make this the biggest and best contest ever! As mentioned before, the Execu-

tive Committee meeting in Milwaukee in November decided to offer an alternate prize for the winner of first place. The contestant who organizes the greatest number of credit unions during the contest period will have a choice of receiving \$100 or his tuition paid to attend the new School for Credit Union Personnel (value \$120) at the University of Wisconsin in July, 1955, and also a choice of expenses to attend the 1955 annual meeting of CUNA in St. Louis or expenses to and from the School. Unless we are very badly mistaken, this will sharply in-

STATISTICAL REPORT

As of January 31, 1954

District Standings

District	Quota	Organ-	Per-
District	Quota	Organ-	Per-
Southern	370	410	111
Central	330	366	111
Canadian	200	239	86
Northeastern	210	200	95
Western	300	271	90
Midwestern	185	145	78
Eastern	305	200	65

League Standings

SOUTHERN DISTRICT

Henry Claywell, Florida,
O & E Committee Member

Dominican			
Republic	5	24	480
Arkansas	5	11	220
Oklahoma	6	13	217
South Carolina	8	12	150
Florida	38	54	142
Mississippi	10	13	130
Texas	116	132	114
Georgia	30	30	100
Puerto Rico	10	10	100
Jamaica	6	6	100
Canal Zone	1	1	100
North Carolina	20	19	95
Kentucky	16	15	94
Alabama	22	19	86
Tennessee	34	28	82
Louisiana	38	23	61
British South			
America	1	0	0
Dominica	1	0	0

CENTRAL DISTRICT

W. L. Alaman, Indiana,
O & E Committee Member

Michigan	105	139	132
Wisconsin	45	52	116
Illinois	135	138	102
Indiana	45	37	82

CANADIAN DISTRICT

H. M. Daley, New Brunswick,
O & E Committee Member

Quebec	25	55	220
Prince Edward			
Island	2	3	150
British Columbia	20	24	120
Saskatchewan	10	12	120
Alberta	10	12	120
Ontario	190	163	86
Manitoba	25	4	40
Nova Scotia	10	4	40
New Brunswick	6	1	16
Newfoundland	2	0	0

NORTHEASTERN DISTRICT

L. R. Kilburn, Connecticut,
O & E Committee Member

New Hampshire	10	16	160
Massachusetts	35	42	120
New York	85	87	102
Maine	10	9	90
Connecticut	45	32	71
Vermont	10	6	60
Rhode Island	15	8	53

WESTERN DISTRICT

W. G. Lonergan, Washington,
O & E Committee Member

Wyoming	2	12	600
Montana	12	16	133
Oregon	12	13	108
Colorado	20	21	105
Alaska	2	2	100

MIDWESTERN DISTRICT

W. O. Knight, Jr.,
O & E Committee Chairman

H. E. Wingstad, Nebraska,
O & E Committee Member

South Dakota	8	13	163
Missouri	45	41	91
Iowa	35	27	77
Kansas	27	30	74
Nebraska	20	14	70
Minnesota	40	24	60
North Dakota	10	6	60

EASTERN DISTRICT

J. A. Flannery, New Jersey,
O & E Committee Member

Pennsylvania	80	64	80
New Jersey	56	45	80
Ohio	80	55	69
District of			
Columbia	18	12	67
Delaware	2	1	50
Maryland	25	11	44
Virginia	32	13	41
West Virginia	15	4	33

League Honor Roll

Wyoming	2	12	600
Dominican			
Republic	5	24	480
Quebec	25	55	220
Arkansas	5	11	220
Oklahoma	6	13	217
South Dakota	8	13	163
New Hampshire	10	16	160
South Carolina	8	12	150
Prince Edward			
Island	2	3	150
Florida	38	54	142
Montana	12	16	133
Michigan	105	139	132
Mississippi	10	13	130
Massachusetts	35	42	120
British Columbia	20	24	120
Alberta	10	12	120
Saskatchewan	10	12	120
Wisconsin	45	52	116
Texas	116	132	114
Oregon	12	13	108
Colorado	20	21	105
Illinois	135	138	102
New York	85	87	102
Georgia	30	30	100
Puerto Rico	10	10	100
Jamaica	6	6	100
Alaska	2	2	100
Canal Zone	1	1	100
North Carolina	20	19	95
Kentucky	16	15	94
Missouri	45	41	91

1953 National Director Honor Roll

William Dempsey, Alabama* (A)	10
----------------------------------	----

C. Frank Pratt, California	1
Clyde Dwyer, Colorado*	10
L. B. Kilburn,* Connecticut**	1
L. R. Nixon, Connecticut*	20
L. W. Snyder, Connecticut*	2
Paul R. Ashbrook, District of Columbia	1
T. E. Attwood, Florida	1
E. T. Lee, Florida	1
Everett H. Tackley, Idaho	1
H. E. McArthur, Illinois	2
Lee Cupp, Indiana	1
C. E. Oldham, Indiana* (A)	18
Steve Brodie, Kentucky	1
Harold Moses, Louisiana	2
C. H. C. Whitehead, Massachusetts	2
James Harvey, Michigan	1
S. H. Myers, Mississippi**	3
Paul J. Roberts, Missouri* (A)	2
A. E. Peterson, Montana	1
Wayne Bornemeier, Nebraska* (A)	2
J. A. Flannery, New Jersey	1
Benjamin Lipson, New York	1
Oliver K. Palm, New York	1
Sidney Stahl, New York* (A)	2
Wilbur J. Brown, Ohio	1
R. G. Hendel, Oklahoma*	6
Arthur Gulley, Oregon	1
James B. Clyde, Oregon* (A)	4
Arthur R. Thompson, Pennsylvania (A)	1
Z. Ashworth, Rhode Island	1
Franklin D. Read, Rhode Island**	5
W. O. Knight, South Dakota**	1
S. D. Jackman, Texas	2
H. T. Sanderson, Texas (A)	3
Karl Little, Utah*	1
Myron Steele, Utah (A)	1
R. P. Bergengren, Vermont*	5
Frank H. Beard, Virginia	3
W. G. Lonergan, Washington	1
S. J. O'Brien, Alberta*	6
Marcel Caron, Manitoba*	1
R. N. Elliot, Quebec	1
M. Erickson, Saskatchewan*	5
Rev. J. H. Steele, Dominican Republic	20
Rev. J. P. Sullivan, Jamaica	1
*Full-time League Employee	
**Part-time League Employee	
(A) Alternate Director	

1953 Volunteer Organizers Contest

L. F. Davis, Dallas, Texas	13
R. J. Moore, Verdun, Quebec	10
Patrick Flood, Bay City, Michigan	9
George Oberleitner, Meadville, Pennsylvania	7
Earle Reed, Woodstock, Ontario	7
Wilbur M. Richards, Toledo, Ohio	7

Leland Miller, Sidney, New York	6
Leonard C. Aylesworth, Fayetteville, New York	5
Chauncey Coston, Hoquiam, Washington	5
John Grace, Manchester, New Hampshire	5
Arthur L. Ivison, Syracuse, New York	5
Donald J. MacKinnon, Farmington, Michigan	5
Verner Porath, Erie, Pennsylvania	5
Faria Davis, Los Angeles, California	4
Evans Holder, Memphis, Tennessee	4
S. D. Jackman, Texas	4
H. T. Sanderson, Corpus Christi, Texas	4
Frank H. Beard, Newport News, Virginia	3
O. F. Burdorf, Texarkana, Texas	3
Mrs. Jeannette Morin, Brunswick, Maine	3
G. W. Scott, Toronto, Ontario	3
L. A. Bloehinger, Struthers, Ohio	2
Lester Engelson, Bakersfield, California	2
E. T. Ferguson, Memphis, Tennessee	2
Ray Ramsey, Lincoln, Nebraska	2
William J. Walte, Jr., National City, Calif.	2
Mrs. Irma S. Arthur, Baton Rouge, Louisiana	1
Marvin L. Bell, Greeley, Colorado	1
J. Ronald Bingham, Nampa, Idaho	1
Edward Butler, Freemont, Nebraska	1
Nathaniel Cobb, Waterville, Maine	1
Mrs. Loyce deMasterson, Monroe, Louisiana	1
Melvin K. Davenport, Caldwell, Idaho	1
Andrew J. Ewing, Pocatello, Idaho	1
Arthur Gulley, Portland, Oregon	1
Lyle Lester, Omaha, Nebraska	1
Mass Lillian Mahoney, Grand Island, Neb.	1
C. A. Ollason, Boise, Idaho	1
J. J. Radford, Nampa, Idaho	1
Wilbur M. Richards, Toledo, Ohio	1
William J. Robbins, Somerville, Mass.	1
J. B. Taylor, Great Falls, Montana	1
Mrs. Helen R. Weakley, Memphis, Tenn.	1
William J. White, Omaha, Nebraska	1
Glenn Wickings, Marysville, Michigan	1
Mrs. W. O. Wilson, Monroe, Louisiana	1



MR. JOHN V. HENNESSY
Manager
Pan-American Pacific
Federal Credit Union
San Francisco, Calif.

"NATIONAL MACHINES are so easy to operate," reports Mr. Hennessy, "that only a week was required to train our girls."

"Our *National* System saves us \$5,100 yearly... pays for itself every 11 months!"

—Pan-American Pacific Federal Credit Union, San Francisco, Calif.

"In just one year our National System proved its worth to us," writes Mr. Hennessy. "Since we installed these machines, there has been a 73% increase in volume of work, which under our former method, would have meant an increase in operators. But with our new Nationals, we were able to assume this additional burden with our existing staff—and to work off a considerable backlog.

"Not only has our National System expanded with us—it also gives us the benefit of many important new services. National's built-in protective features have resulted in a greatly improved system of internal control. In

addition to this, our records are now posted up-to-the-minute. What's more, we find that all information is immediately at hand.

"Our National System's worth can be measured by the savings in personnel and overtime—200 hours every month—and by the ease and efficiency with which it works. Altogether we estimate our National System is saving us at least \$5,100 yearly and is paying for itself every 11 months.

"We are more than glad to recommend the National System which has been such a valuable asset to our Credit Union."

A National System can be a valuable asset to you, too, by cutting costs and providing you with faster, safer, more efficient service. Your nearby National representative, a trained systems analyst, will be glad to make a survey of your operation and show you how it can be improved. There is no obligation. Call him now.

THE NATIONAL CASH REGISTER COMPANY, Dayton 9, Ohio

March, 1954



crease the interest and activity in the contest.

Other rules of the contest and the awards remain as before:

Each contestant who organizes five or more credit unions, other than the winner of first place, will receive a \$50 award. All volunteers who enter the contest and report one or more credit unions will receive a gift copy of "Liberal's Progress", the biography of Edward A. Filene, written by Gerald W. Johnson, unless awarded one in a previous contest. Any volunteer can enter, and every contestant can win a prize. The contest is an annual affair and covers the period from March 1 of each year to the following February 28. Send us your name today. To enter the contest, follow these simple rules:

Coming Events

March 12-13-14—New Jersey credit Union League annual meeting, Hotel Traymore, Atlantic City, New Jersey.

March 13—Connecticut Credit Union League annual meeting, Temple Hall, Waterbury, Connecticut.

March 15-16—Credit Union League of Saskatchewan annual meeting, Bessborough Hotel, Saskatoon, Saskatchewan.

March 19-20—Tennessee Credit Union League annual meeting, Read House, Chattanooga, Tennessee.

March 19-20—Massachusetts CUNA Association, Inc., annual meeting, Hotel Somerset, Boston, Massachusetts.

March 26—Rhode Island Credit Union League annual meeting, Sheraton-Biltmore Hotel, Providence, Rhode Island.

March 26-27—Kentucky Credit Union League annual meeting, Seelbach Hotel, Louisville, Kentucky.

March 27—District of Columbia Credit Union League annual meeting, Washington, D. C.

April 2-3—Colorado Credit Union League annual meeting, Shirley-Savoy Hotel, Denver, Colorado.

April 2-3-4—Oklahoma Credit Union League annual meeting, Hotel Tulsa, Tulsa, Oklahoma.

April 9-10—Illinois Credit Union League annual meeting, Hotel Sherman, Chicago, Illinois.

April 9-10-11—Hawaii Credit Union League annual meeting, Lihue, Kauai.

April 9-10-11—Nebraska Credit Union League annual meeting, Fontenelle Hotel Omaha, Nebraska.

April 16—South Dakota Credit Union League annual meeting, City Hall, Sioux Falls, South Dakota.

April 17—West Virginia Credit Union League annual meeting, West Virginian Hotel, Bluefield, West Virginia.

April 22-23-24—Pennsylvania Credit Union League annual meeting, Benjamin Franklin Hotel, Philadelphia, Pennsylvania.

April 23-24—Virginia Credit Union League annual meeting, Hotel Chamberlin, Old Point Comfort, Virginia.

April 23-24—Minnesota League of Credit Unions annual meeting, Hotel Duluth, Duluth, Minnesota.

April 23-24—Georgia Credit Union League annual meeting, Macon, Georgia.

April 23-24-25—Kansas Credit Union League annual meeting, Baker Hotel, Hutchinson, Kansas.

April 23-24-25—Ohio Credit Union League annual meeting, Netherlands Plaza, Cincinnati, Ohio.

April 23-24-25—Michigan Credit Union League annual meeting, Pantlind Hotel, Grand Rapids, Michigan.

April 23-24-25—Louisiana Credit Union League annual meeting, Virginia Hotel, Monroe, Louisiana.

April 24—North Carolina Credit Union League annual meeting, Sir Walter Hotel, Raleigh, North Carolina.

May 20-21-22—Ontario Credit Union League

1. Send a letter or postcard to T. W. Doig, Managing Director, Credit Union National Association, P. O. Box 431, Madison 1, Wisconsin, stating your desire to enter the contest and listing any credit unions you have organized since March 1, 1954.

2. Soon after the organization of each additional credit union, advise Mr. Doig of that fact by letter or postcard.

3. On or before March 31, 1953, send Mr. Doig a complete list of the credit unions you have organized during the contest period.

With your letter or postcard of entry, ask for the free Volunteer Organizers Kit of useful material to help you with your work.

annual meeting, Royal York Hotel, Toronto, Ontario.

May 12—Joint meeting: CUNA Executive Committee, CUNA Mutual Board, and CUNA Supply Board.

CUNA Supply Board of Directors, Madison, Wisconsin.

May 13—CUNA Executive Committee.

May 14—CUNA Mutual Board of Directors.

CUNA Mutual Policyholders Election.

May 15—National Board of Directors.

May 21-22-23—Iowa Credit Union League annual meeting, Hanford Hotel, Mason City, Iowa.

May 29—Cornerstone Laying Ceremony for new CUNA Canadian Office, Hamilton, Ontario.

June 4-5—North Dakota Credit Union League annual meeting, Rudolph Hotel, Valley City, North Dakota.

June 4-5-6—New York Credit Union League annual meeting, Laurels Country Club, Sackett Lake, Monticello, New York.

June 11-12—Washington Credit Union League annual meeting, Columbia Hotel, Wenatchee, Washington.

June 23-24-25-26—British Columbia Credit Union League annual meeting, Legion Hall, Trail, British Columbia.

September 10-11—Wisconsin Credit Union League annual meeting, Schroeder Hotel, Milwaukee, Wisconsin.

September 17-18—Indiana Credit Union League annual meeting, Indiana.

September 25—Maine Credit Union League annual meeting, Portland, Maine.

Always Two Sides

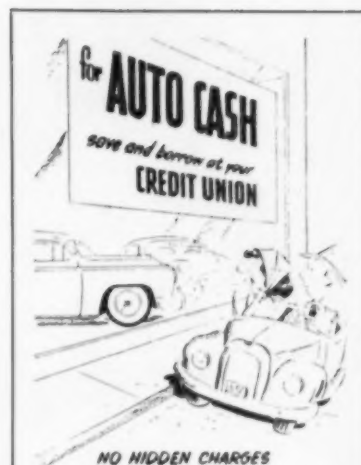
THE ARDENT REPUBLICAN's face crimsoned in righteous wrath as he berated a fellow GOP'er who had switched to the Democrats in the recent election.

"A man like that ought to be ridden out of town on a rail," he fumed.

"But father," his collegian son reminded, "you aren't consistent. A few minutes ago, you were praising all those Democrats who voted Republican."

The parent placed a tolerant hand upon the youth's shoulder.

"You might as well learn this solid truth now, Son," he said. "Those who go over to the other party are traitors. Those who change to ours are converts."



March Poster

This colorful poster reminds your members and potential members, in a cheerful way, of your cash-on-hand-for-special-opportunities service.

Single posters are 25c each; additional posters in same mailing 12½c each—all less 20% discount to members credit unions in USA. Subscriptions for 12 monthly posters 10 times above prices.

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one of the many official, specially designed services your CUNA Supply Cooperative provides credit unions. Others include:

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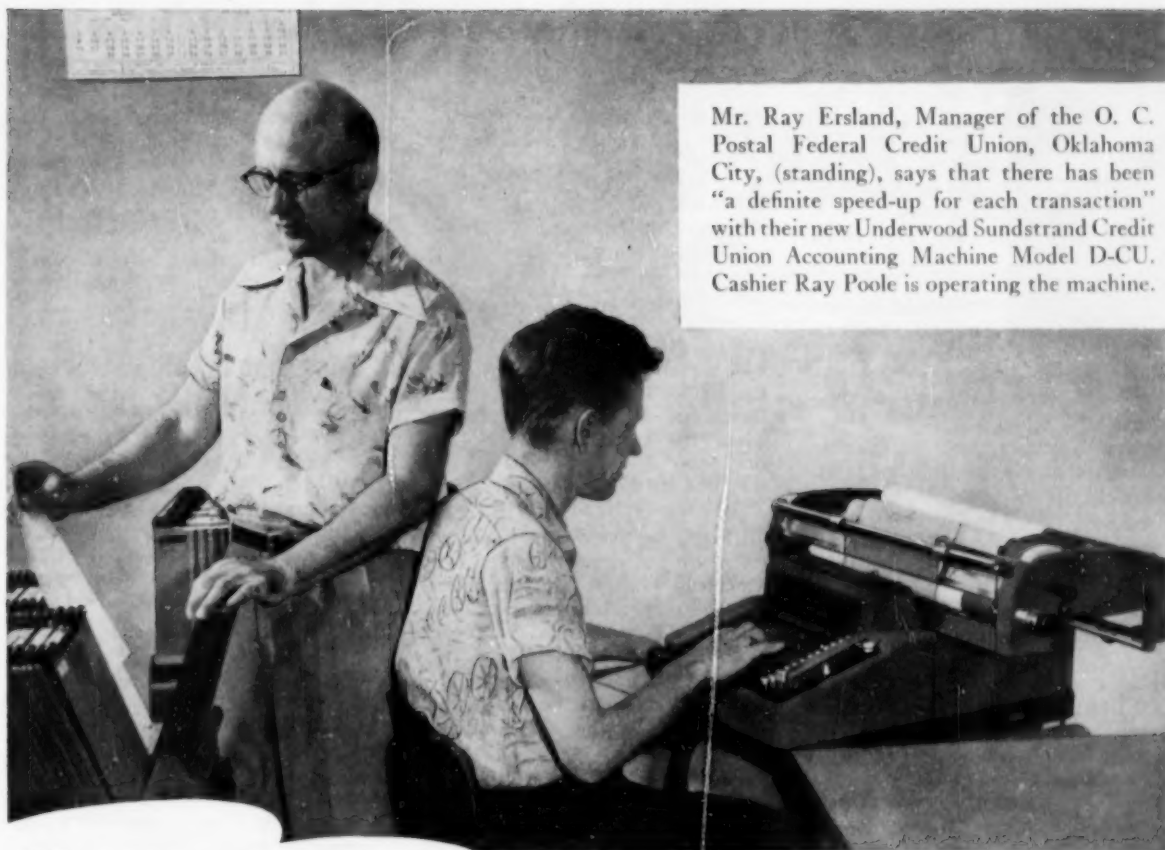
Envelopes

If you do not have your copy of our catalog and price list handy we'll gladly send you another copy. Address your league supply department, or

CUNA Supply Cooperative

Madison 1, Wis. Hamilton, Ontario

The Credit Union Bridge



Mr. Ray Ersland, Manager of the O. C. Postal Federal Credit Union, Oklahoma City, (standing), says that there has been "a definite speed-up for each transaction" with their new Underwood Sundstrand Credit Union Accounting Machine Model D-CU. Cashier Ray Poole is operating the machine.

"Spent over a year
deciding ...

**made a wise choice in
UNDERWOOD SUNDSTRAND"**

*writes Ray Ersland,
Manager of the O. C. Postal Federal Credit Union,
Oklahoma City*

The Board of Directors and a special committee of the O. C. Postal Federal Credit Union, Oklahoma City, Oklahoma, investigated accounting machine equipment *long and thoroughly*... and chose UNDERWOOD.

Only one machine is employed to maintain the loan and share accounts and simultaneously prepare quarterly statements for nearly 2,000 members. This is accomplished with time to spare because cash is distributed, amounts applicable to shares are computed, totals for general ledger entry are developed, and new balances are computed and proven during a single operation requiring *no post-listing*.

Underwood Sundstrand Accounting Machines, specially developed for credit union accounting, are highly automatic, extremely simple, very fast.

Operated with the convenient, easy to learn 10-Key Keyboard they save time, money... help finish work in minutes instead of hours.

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• Please send me booklet on Credit Union Accounting.
Name _____ Title _____
Company _____
Street _____
City _____ Zone _____ State _____

Three Florida Field Representatives

Carroll A. Andrews



CARROLL A. ANDREWS is field representative for central Florida with headquarters in Tampa.

Mr. Andrews was offered the job in October, 1952, and started immediately to study the credit union movement in the field and from literature provided by the league and by CUNA.

Born April 29, 1922 in Stevens County, Georgia, he finished high school at Teocoa, Georgia. He spent one quarter at the North Georgia College, before joining the Army Air Force Band to which unit he was attached for five years. After being discharged from service he went back to school and graduated from Piedmont College, Demorest, Georgia in 1952.

"I like credit union work because it enables me to do something for people. It is a great deal of self-satisfaction to know that I am capable of helping people when they really need it," says Carroll.

Mr. Andrews was married in 1943, and has two girls, one eight and one ten years old.

Master's degree at Duke University. He wrote his thesis on credit unions when he graduated from Duke.

Robert DeThorne

ROBERT DE-THORNE, Miami, is the field representative in the Southern part of Florida.



Mr. DeThorne was a member of the WTVJ Credit Union in Miami when he heard that the league was looking for a field man.

Born in Arlington, New Jersey in 1919, he moved to Florida in 1939 and attended Riddle Inter-American College in Coral Gables. Because of his knowledge of Latin-American affairs, he served in the Air Force for six and a half years attached to military missions in South America. After the war he returned to college, and graduated from the University of Miami with a B. A. in Business Administration. When he accepted the job as field representative, Mr. DeThorne was employed by the Reece Picture Corporation in Miami which makes films for television.

Bob is married but has no children.

In Debt

WHEN SAM WAS ASKED how he budgeted his income, he replied: "Oh, about 40 per cent for food, 30 per cent for rent, 30 per cent for clothing, and 20 per cent for amusement and incidentals."

"But that makes 120 per cent."

"Don't I know it!" agreed Sam, with a groan.

Consumer Credit Conference Scheduled July 25 to 30

A CONSUMER CREDIT CONFERENCE for executives is being sponsored by Columbia University for 5 days from July 25 to 30. The conference will be held at Arden House about 50 miles north of New York City on the Columbia University's Harri-man Campus.

The faculty, discussion leaders, and speakers will be drawn from business, consumer credit institutions, Columbia, and other universities. These experts who have been selected from the various branches of consumer credit management and the student-executives will consider among other such questions as the credit outlook for 1954-55, the market for consumer credit, and economic stability.

R. A. Vinson



R. A. VINSON, former supervisor of secondary education of Duval County has retired from the school system and accepted a position as field man for the Florida Credit Union League in

December. He has been with the school system since 1927.

Mr. Vinson is no stranger in the credit union field. He helped organize Duval County Teachers Credit Union in 1935 and has served as treasurer and president since its organization. He was elected to the Board of Directors of the Florida Credit Union League in 1937 and served as league president from 1941 to 1944. He was a national director from 1943 to 1947.

Mr. Vinson is a native of Kentucky where he received his high school and some college education, later finishing his Bachelor's degree at the University of Florida and his

The Family Credit Union Digest

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for Member Distribution
at \$2 per 100

THE CREDIT UNION BRIDGE

P.O. Box 431,
Madison, Wisconsin

P.O. Box 65,
Hamilton, Ontario

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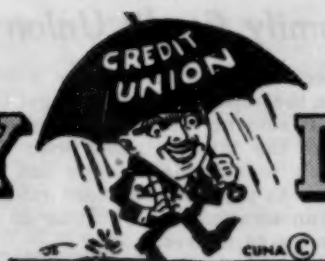
.....Credit Union

Address.....

City and State.....

Title.....

FAMILY DIGEST



Volume 19

P. O. Box 431, Madison 1, Wisconsin; P. O. Box 65, Hamilton, Ontario

Number 1

Credit Union Truth

EVERY CREDIT UNION is just as good as its members—and no better. No credit union is formed unless the members form it. No credit union survives unless its members are loyal—critically intelligently loyal. No credit union grows unless its members make it grow.

The spirit of self-help is the root of all genuine growth in the individual, and exhibited in the lives of many, it constitutes the true source of national vigour and strength. Help from without is often enfeebling in its effects, but help from within invariably invigorates.

—Revised from *The Sunny West Review*.

Your Savings Help Your Fellow Men

WHAT DO YOU think happens to the money you deposit in the credit union? Does it lie around in cash in a vault somewhere until you want it back again? Not by a tankful, it doesn't! It's very, very busy!

Just for fun, let's imagine what might happen to a typical savings deposit of—say, five dollars.

One dollar of it, together with other savings dollars, might help one of your buddies pay for an operation for his wife. Another dollar might help another friend pay some bills which have been worrying him and hampering his work. Another dollar might help someone buy a badly needed car. Another might help finance a college education for the son or daughter of the man you eat lunch with. The last dollar might help pay for a vacation.

These are all things that people need money for—even you, someday, perhaps. You, like your friends, can get financial help through your credit union.

But the big point is this: The credit union is only the vehicle for providing the financial aid. The real helping hand is actually yours, yours and those of the thousands of other credit union members who

Your Credit Union

Is There When You Need It

THE SMALL BOY tumbled and picked himself up. He kicked resentfully at the rotting board which had snagged his hand as he fell, but he resumed play with the energy that only a three-year-old can muster. However, as the afternoon progressed, his interest flagged and his movements became slower, almost labored. By night-

fall he was crying with the pain in his hand.

It was a distraught mother who greeted the youngster's father upon his return from work and an anxious father who watched his son's fever mount even as he summoned a doctor.

After a quick examination of the child's hand the physician pronounced the spine-chilling diagnosis, "tetanus."

"But Doctor, how? it was such a little splinter and it just happened this afternoon." The shocked mother was unbelieving.

The father, more easily convinced, was thinking ahead of her. While the doctor ordered hospitalization and early administration of serum, his mind raced on to ways and means. A working man, who feeds and clothes a large and growing family, operates with a small margin for such emergencies. For the moment his back was jammed against a stone wall. It was a financial crisis he was not prepared for, but one he had to meet if his son were to have even a slim chance for life.

He had little or no savings, and all of his pay check went to current expenses. Then he remembered the credit union which had been organized in the plant a couple of years before. He had never joined because he felt that he wouldn't be able to save anything for some years to come. However, he had heard how some of his fellow employees had been helped out of garnishments and financial jams by the credit union.

A call to a friend gave him the name of the treasurer of the credit union. Five minutes after he had a promise for a loan and was on his way to the hospital with the suffering child, apprehensive about the boy's condition but relieved of immediate financial worry.



let us use their money while they don't need it.

Think this over, won't you? And remember that your savings will help someone who needs help as surely as someone else's money will help you when you need it.

Of course, you're paid for the use of your money through dividends. And, of course with a few exceptions, your account is automatically covered by life savings insurance, without cost.

—Contributed by NCR Credit Union, Dayton, Ohio

Liars

"Brothers," said the preacher, "the subject of my sermon today is liars. How many in this congregation have read the 69th chapter of Matthew?" Nearly every hand went up.

"You are the people I want to preach to," the Reverend said, "There isn't such a chapter."

The Family Credit Union Digest



The credit union didn't only grant him a loan. Two fellow members drove to a larger city 40 miles away to pick up the serum when it turned out that it could not be provided by the local hospital.

The child recovered. Today the whole family are credit union boosters.—From an article in EL DORADO DAILY NEWS, El Dorado, Arkansas. The credit union referred to is Lion Co-operative Savings and Credit Association.

Questions and Answers

How do I make application for a loan? Get an application blank from the credit union office, fill it out and return it to the clerk or treasurer. In emergency cases loans may be granted almost immediately.

Why borrow from the credit union? Because if you need to borrow, a loan from your own credit union is convenient, economical, and is made for the purpose of helping the borrower—not to make profits for any outside agency. The entire transaction is handled promptly and confidentially.

What is the interest rate if I

borrow? One percent per month on the unpaid balance. You get the full amount you borrow, and you pay the interest along with the loan repayments. If you can or care to pay the loan more quickly than arranged for, you may do so and save interest.

For what purpose may members borrow? For any useful purpose. Here are some of the more common ones:

- To pay doctor, dentist and hospital bills
- To pay cash (and save) for household goods and automobiles
- To consolidate and pay up old bills

Two Prayers

Last night my little boy confessed to me

Some childish wrong.

And kneeling at my knee

He prayed with tears:

"Dear God, make me a man
Like Daddy, wise and strong,

I know you can."

Then while he slept, I knelt beside

his bed,

Confessed my sins,

And prayed with low-bowed head,

"Oh God, make me a child

Like my child here—

Pure, guileless,

Trusting Thee with Faith sincere."

—Andrew Gillies

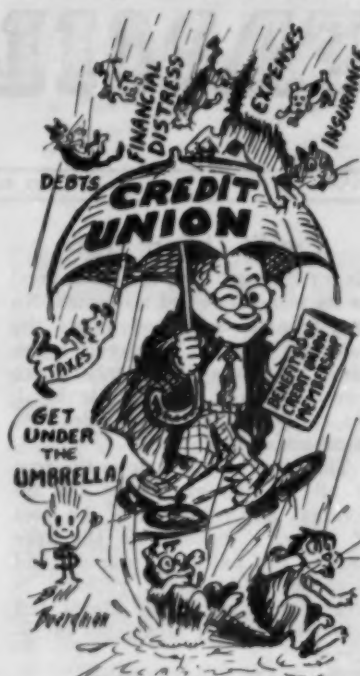
- To pay school tuition
- To pay vacation expenses
- To pay taxes or insurance
- To pay emergency bills
- To meet any useful need
- Is security needed for a loan?
- Security such as a co-maker or

Your Credit Union Account

WE TAKE a great deal of pride in servicing the accounts of our members whether it be a savings account or a loan account. The status of your account is never divulged to any unauthorized person. We appreciate your confidence and will never violate it, not even to a member of your immediate family.

Credit union savings accounts with few exceptions not only earns a very good dividend but provides you with a savings-insurance feature whereby upon your demise our insurance company will place a like amount on all insurable accounts. This insurance feature will double

Raining Cats and Dogs?



—Contributed by Bill Boardman, Oregonian Employees Federal Credit Union, Portland, Oregon.

chattel-lien, is required usually for large loans.

—Contributed by Tennessee Credit Union League.

A Good Question

A SMALL BOY, visiting New York City for the first time, went in an elevator to the top of the Empire State Building. As he shot past the 78th floor at breath-taking speed he gulped, turned to his father and asked, "Daddy, does God know we're coming?"

your savings on any amount from \$1 to \$1,000 until you reach the age of 55 years and to a lesser proportion after 55 according to your age at the time.

We invite small savings accounts as well as large ones and extend the same courteous service to all.

—Contributed by Cleveland Police Credit Union, Cleveland, Ohio.

Wise Men Say

• He who makes room in his heart for others, will himself find accommodation everywhere.

—Anonymous.

• It is better to have protection and not need it, than to need protection and not have it.

—Portland Postal Employees Credit Union.



The Way I See It

(Continued from page 2)

if it so desired, but would not be required to do so.

The proposal certainly has enough merit to be carefully considered. It would make a fine topic for a chapter meeting. Let's discuss it.—*Roy A. Strain, President, California Credit Union League.*

New Membership Drive?

TO: THE EDITOR

I think the National Board should definitely consider starting a new membership drive and put on a good promotional program with the various states and the provincial leagues, in order that they may conduct these drives on a good sound basis.

When the National Association first promoted the annual credit union membership drives on an international basis, I was very interested in the idea. I felt that this was one way that we could definitely put on an organized drive each and every year to interest our members as to what we are attempting to do to help them, and to give them some idea about the ideas and ideals of the credit union movement.

I felt that credit unions could have competition among each other, or states against states, or possibly like we did for two or three years, have an international membership drive contest between Ontario and Michigan. We did that, Ontario winning the first and Michigan winning the next two.

I felt that it would bring increased number of members to the credit union, and with increased members we have increased assets and increased loans. I have always felt that for every five new members we took into the credit union, we had two or three potential new borrowers, and that seems to have prevailed in practically every drive that we have had. The drives absolutely cost us nothing because of the new loans that we have made to new members.

I believe that we are probably the only credit union in the North American Continent who has had an organized drive each and every year for the past ten years, and our 10th annual membership drive was more successful than our first membership drive.

The National Association quit at the ninth year. I asked my board of directors what we should do. Should

we quit too, or should we continue? They felt that our success had been so great that we should continue to have our drives.

At that time we had approximately 95% of our potential members belonging to the credit union. We pointed out to our members on the drive that they should attempt not only to sell the ones who were still not members, but also the wives and children. Most of our new members came in last year from wives and children of employees in the plant. I think that we probably have a higher percentage of members to potential in the United States. Our potential is approximately 4100 employees and we have approximately 4700 members, or about 15% more members than potential.

Now, what will it do for the state league and the National Association? A credit union with increased assets and increased loans pays more dues to our state league. A state with a high percentage of members will pay more dues to the National Association. All the way around, it helps everybody. The credit union itself is selling service to its members by attempting to get every man, woman and child into the credit union. It is only through that type of service that we are doing the utmost for our credit union.

I believe that the ideal credit union is one that every member belongs to that possibly can, and we never should give up in enticing every employee, their wives and families to belong with everybody saving to the best of their ability, and everybody borrowing that needs to borrow for provident and productive purposes. Then and only

then will we have the ideal credit union.

I believe it is a life-time job and the fact of the matter is I don't believe that any of us will ever live to see the ideal credit union, but we should always work towards that goal.

One more thing—with the members who participate in the drive, we find that some of them come out with good ideas, some of them have shown that they are good salesmen, and they make good future committee members. That is something that we should not fail to forget because we should always be looking for good potential committee members, and we always invite different people every year to participate in our drives in order that we may come up with some men who will do the job for us in the future.

I would like to say that now in Michigan, after ten years, many credit unions are beginning to put on membership drives. They have called our office, or came down and investigated on how we run them, and anything that we can do to help other credit unions put on a membership drive, we are doing it.—*David Arsenault, Wyandotte Chemicals Employees' Credit Union, Wyandotte, Michigan.*

Make Room For A Gripe

HI YA EDITOR:

Some years ago I wrote to say "let's do away with annual meetings?" ... remember? We couldn't get members interested, so why hold the annual affairs, which in many cases just meant another board of directors meeting. Well, down through the years, as we grew, we

1953—A Banner Year For Credit Unions

IT WAS A BANNER YEAR for the credit union movement—one of the best on record, reports the Credit Union National Association (CUNA).

A total of 2,134 new credit unions were organized in 1953, the largest gain made in any single year. There are now 18,077 credit unions in the Western Hemisphere compared with 16,161 at the end of 1952.

Membership topped the 8½ million mark, CUNA reports, with assets reaching an estimated \$2,151,740,000.

(Number of credit unions actual; other figures conservative estimates.)

	A YEAR AGO (12-31-52)	NOW (12-31-53)
Number of Credit Unions	16,161	18,077
Number of Members	7,340,000	8,829,000
Amount of Outstanding Loans	\$1,065,000,000	\$1,436,858,000
Amount of Paid-In Shares	\$1,480,000,000	\$1,958,841,000
Amount of Reserves	\$ 85,000,000	\$ 95,200,000
Total Assets	\$1,710,000,000	\$2,151,740,000

got enough members interested to make it worth while, after tempting them with entertainment and eats.

But after 18 years of this bizz, I am still able to say "annual meetings are the bunk" (weatherwise). I have attended six annual meetings so far this month of January, 1954, and in all of them I had to fight snow, ice, wind storms, cold weather and rainstorms to get to and fro. One of these meetings had preparations for 500 for their dinner meeting, and on account of terrible weather only about 150 showed up (you should have seen the food that was wasted and the credit union had to pay for!) Another big credit union hired school auditorium and prepared for overflow, but it snowed, and the empty seats showed up! Very discouraging to the hard-working officers and downright disgusting being thwarted by January weather conditions.

I propose amending by-laws so we can hold annual meetings later



CREDIT UNION MANAGER wants new position. 38 years old, one year as manager of \$300,000 credit union, B.A. in Business Administration. Write A-2, The Credit Union Bridge, P. O. Box 431, Madison 1, Wisconsin.

on in the year when shareholders won't be baffled by bad-weather conditions. Why not? I think it can be done. After all, the Board of Directors runs the credit union . . . not the shareholders, who have to listen to our recommendations anyhow. I have conducted 17 annual meetings to date, and I always ask if there are any questions after report are given . . . but never a question . . . they accept "as is" and seem anxious to get the business meeting over with so they can get in on the eats and entertainment.—C. W. Boardman, "Oregonian" Federal Credit Union, Portland, Oregon.

Indonesia

(Continued from page 11)

Debiting this charge to the member's interest account for future collection when the total account reached a reasonable sum, Mr. Omo did collect 10% of the loan in addition to the principal, but as a deposit of the member in his savings account instead of an interest charge. This was in accordance with the by-laws of all Indonesian credit cooperatives, and is one of the secrets of their success in raising their own capital.

From that first memorable day's operations, in December, 1951, the story of the little credit cooperative

in the Bandung Pasar has been one of steadily mounting success. Three months later membership stood at 315 men and women, with 40,000 Rupiahs in savings and over 70,000 Rupiahs successfully loaned. At the end of the first year's operation almost three-fourths (740) of the thousand-odd small merchants of Pasar were members, with 85,000 Rupiahs in capital and a record of over 140,000 Rupiahs loaned to members and not a single repayment overdue. Moreover, the goal set by its members, and Mr. Rame-lan of the Cooperative Training School had also been realized. The droves of private money-lenders formerly infesting the Pasar had almost disappeared, and those remaining were only able to do business by reducing their interest rates to a competitive level.

Formed in almost precisely the same manner and for the same purposes as our own, the credit cooperatives of Indonesia serve villagers, factory workers, government employees and community groups in all the major islands. An outstanding example of their adaptability to so-called primitive societies and another case for the record of the Cooperative Service Training Schools was recently reported from eastern Borneo. In the spring of 1952 the school at Samarinda, near the mouth of the Mahakam River, graduated sixteen Dyak students, members of the former head-hunting tribes of the interior, who paddled their canoes 200 miles downstream to attend classes. Returning to their homes, a full month's journey, they reported the successful formation of credit cooperatives in each of their "long houses", the three to four hundred family single dwelling which comprises a Dyak village.

The Spur

MY COMPETITORS do more for me than my friends do; my friends are too polite to tell me what I ought to know.

My competitors make me efficient, diligent, and attentive. They make me work and search for ways to improve my service. My competitors would take my business away from me, if they could. This keeps me constantly alert to protect what I have.

If I had no competitors, I would be lazy, incompetent, and independent. I need discipline.

I like my competitors. They have done a lot for me.

—Savings Bank Life Insurance News.

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